

Pipeline and Hazardous Materials Safety Administration

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 8, 2007

Ms. Meg Yeage President ConocoPhillips Pipeline 600 North Dairy Ashford TA 2010 Houston, TX 77079 SENT TO COMPLIANCE REGISTRY

Hardcopy Electronically

of Copies 1/ Date 2-1-07

CPF 5-2007-5006W

Dear Ms. Yeage:

On September 5-8, 2006 a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your Seminoe pipeline between Billings, Montana and Casper, Wyoming as well as records in Casper, Wyoming.

As a result of the inspection, it appears that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation is:

1. §195.505 Qualification program.

Each operator shall have and follow a written qualification program. The program shall include provisions to:

(b) Ensure through evaluation that individuals performing covered tasks are qualified;

ConocoPhillips Pipelines' (CPPL's) Pipeline Leak and Inspection Report No. SM01-GWB-04-001 did not document the names of individuals that completed repairs made to their Seminoe pipeline.

CPPL's Pipeline Leak and Inspection Report No. SM01-GWB-04-001 shows that repairs were made to their 8-inch Seminoe pipeline using an Armor Plate Pipe Wrap Repair System, but records only indicate the name of the contractor and not the individuals who installed this sleeve. Though CPPL was able to provide documentation of both contractor employees and CPPL employees that were reported to have made this repair, the Pipeline Leak and Inspection Report does not reflect the names of those individuals.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violations persists up to a maximum of \$1,000,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item identified in this letter. Be advised that failure to do so will result in CPPL being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to CPF 5-2007-5006W.

Sincerely,

Chris Hoidal

Director, Western Region

Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry

PHP-500 (G. Davis, #116724)